

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

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FISCAL IMPACT STATEMENT

LS 6353

BILL NUMBER: HB 1035

NOTE PREPARED: Dec 6, 2014

BILL AMENDED:

SUBJECT: Use of Proceeds from Forfeited Property.

FIRST AUTHOR: Rep. Culver

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: X GENERAL
X DEDICATED
FEDERAL

IMPACT: State & Local

Summary of Legislation: The bill provides that: (1) money; or (2) proceeds from the sale of property; that has been seized and forfeited because of its connection to the violation of certain criminal statutes may not be used to purchase a passenger motor vehicle if the value of the motor vehicle is greater than the maximum value of a Class XV vehicle as determined under the law concerning the motor vehicle excise tax. (Under current law, the value of a Class XV vehicle is at least \$30,000 but less than \$35,000.)

Effective Date: July 1, 2015.

Explanation of State Expenditures: The bill could reduce expenditures by prohibiting purchase of vehicles that cost between \$30,000 and \$35,000. Any cost savings would be realized by purchasing a less expensive vehicle than would have been purchased otherwise.

Additional Information: Three different situations concerning money or the proceeds of the sale of property seized and forfeited or unclaimed after a seizure would be subject to the restriction on the value of a vehicle purchased.

(1) Money or property seized and forfeited because of its connection to certain criminal violations is to be deposited in the state General Fund or a local general fund, if the local law enforcement officers seized the property. Proceeds that exceed the law enforcement costs are to be transferred to the state Common School Fund.

(2) Money or proceeds of sales of property from forfeiture under certain federal laws may

be deposited in a nonreverting fund and expended with the approval of the local unit executive or the Governor.

(3) Proceeds from the public auction of property that was seized and to be returned to its owner but is unclaimed are to be paid to a county general fund.

Explanation of State Revenues:

Explanation of Local Expenditures: See *Explanation of State Expenditures*.

Explanation of Local Revenues:

State Agencies Affected: State law enforcement.

Local Agencies Affected: Local law enforcement.

Information Sources:

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